

marriage is universal, and families are large. There are few large capitals; and the enterprises which require large capitals, if performed at all, must be performed by the union of the small portions of wealth, which, in a saving and thriving country, must remain unemployed in the hands of the owners, unless employed by others for them.

Another reason in favor of incorporations of this kind, is that in this way large capitals may be concentrated, and large capitals will build up large establishments. Large establishments always make greater profit than small ones; among other reasons, because they can afford to procure greater skill and better management. Thus, some few years ago before the late protection, the Waltham Factory, which had an immense capital, divided 40 per cent. profits, while the smaller establishments complained of making nothing. To insure success in our State, therefore, the first establishment ought to be commenced on a scale of considerable extent, and then they could afford to procure the best managers that the northern States can furnish.

We wish not by this remark, to convey the idea that small establishments cannot be made profitable. On the contrary, these are the ones that will do most to improve the general condition of the community.

The committee have thus, at greater length than they could wish, presented their views on the policy of introducing the manufacturing system into N. Carolina. They firmly believe that it is the only course that will relieve our people from the evils that now so heavily press on them. We have nearly reached the lowest point of depression, and it is time for the reaction to begin. Our habits and prejudices are against manufacturing, but we must yield to the force of things, and profit by the indications of nature. The policy that resists the change is unwise and suicidal. Nothing else can restore us.

Let the manufacturing system but take root among us, and it will soon flourish like a vigorous plant in its native soil: it will become our greatest means of wealth and prosperity; it will change the course of trade, and in a great measure, make us independent of Europe and the north.

Nature has made us far more independent of them than they are of us. They can manufacture our raw material, but they cannot produce it. We can raise it and manufacture it too. Such are our superior advantages, that we may anticipate the time, when the manufactured articles of the south will be shipped to the north and sold in their markets cheaper than their own fabrics. and when the course of trade and difference of exchange will turn in our favor. The committee at this time are not aware that it is within the powers of this General Assembly, by any legislative act, to forward the introduction of the system into N. Carolina. They however recommend the granting of acts of incorporation to companies for manufacturing purposes as often as suitable applications may be made.

All of which is respectfully submitted.

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